

Press release of the Belimo Group - Hinwil, March 12, 2012, 7:00 a.m.

Solid profit despite adverse currency effects

Belimo looks back at a challenging financial year due to the difficult political and economic environment.

In Swiss francs, sales came to CHF 416.0 million, a slight decrease of 2.4 percent year-on-year. Adjusted for currencies, however, Belimo grew by 9.6 percent. Operating income (EBIT) was CHF 67.8 million, and the operating margin 16.3 percent. Despite negative currency movements, Belimo's net income was solid at CHF 51.6 million, bringing earnings per share to CHF 84.61 (previous year CHF 101.10). Return on equity (ROE) was 23.3 percent, and return on invested capital (ROIC) 28.4 percent.

Cash flow from operating activities amounted to CHF 57.4 million, and free cash flow was CHF 41.3 million. Overall, cash and cash equivalents were up year-on-year by CHF 8.0 million to CHF 75.3 million.

The Board of Directors will propose a dividend of CHF 50 (previous year CHF 55) per share to the Annual General Meeting on April 2, 2012.

Growth in local currencies

On a currency-adjusted basis, Belimo achieved growth in all markets. As the market leader in air applications, Belimo has a broad range of products and was able to increase sales by 8.4 percent. Market share was gained among OEM customers in particular. In water applications the growth rate was 11.6 percent, thanks to the 6-way valve, the electronic pressure-independent control valve (EPIV) and the characterized control valve (CCV).

Europe

The market region Europe developed positively once again, growing 6.7 percent on a currency-adjusted basis. Virtually all the Group's subsidiaries reported higher results than a year ago. The strongest market in terms of sales is Germany, where the country's strong economic environment helped make a significant contribution to the good results. Other areas that contributed to growth include Poland, Austria, Finland, France and the Middle East. The contribution from Spain was below expectations.

Americas

Given the slow recovery in the markets, sales in local currencies were up a strong 12.7 percent. Overall, sales of water applications outperformed those of air applications. The results in North America beat expectations, while Latin America grew only modestly compared to a strong prior year.

Asia/Pacific

At 15.4 percent, growth in the Asia/Pacific markets was at the bottom of the range of expectations despite a good first half-year. The primary reason was the cutback in lending ordered by the Chinese government and the resulting drop in investments as well as a slowing economy in some major markets.

Net sales by region

in CHF 1,000	2011	%	Growth in local currencies in %	2010	%
Europe	229,612	55	6.7	235,626	55
Americas	145,381	35	12.7	150,478	35
Asia/Pacific	40,990	10	15.4	40,296	10
Total	415,983	100	9.6	426,399	100

Net sales by application

in CHF 1,000	2011	%	Growth in local currencies in %	2010	%
Air	256,529	62	8.4	264,886	62
Water	159,454	38	11.6	161,513	38
Total	415,983	100	9.6	426,399	100

Innovation

There were important innovations in products and processes in the areas of energy saving and safety. The product line of energy-saving safety actuators was extended with an actuator for large air dampers. The range of air VAV controllers was equipped with an innovative volumetric flow sensor. This sensor element exhibits its strengths in particular with smaller volumes of air. In water applications the product conversion to an improved design for the very successful characterized control valves (CCV) is underway.

Production, Customizing and Distribution

The currency situation led to various measures regarding the procurement of materials. For example, re-negotiations or currency conversion took place with existing suppliers. The earthquake in Japan triggered a lot of uncertainty in the supply chain. Together with the suppliers the situation was monitored carefully so that negative effects on Belimo could be prevented. Production and assembly processes were continually improved thanks to measures such as the partial automation of facilities, which successfully boosted efficiency.

Outlook

Belimo wants to continue on a solid growth path. With actuator solutions that increase room comfort while using less energy, Belimo is meeting a worldwide need. Through targeted projects, solutions for other HVAC applications are being developed. Belimo is trying to diminish the impact of the strong Swiss franc by boosting efficiency and increasing procurement in euros or US dollars.

Key figures of the Belimo Group for the 2011 financial year

in CHF 1,000 (unless specified otherwise)	2011	2010	Change in %
Net sales	415,983	426,399	-2.4
Operating income (EBIT) in percent of net sales	67,787 16.3%	83,217 19.5%	-18.5
Net income in percent of net sales	51,556 12.4%	61,344 14.4%	-16.0
Cash flow from operating activities in percent of net sales	57,359 13.8%	66,726 15.6%	-14.0
Free cash flow in percent of net sales	41,313 9.9%	52,798 12.4%	-21.8
Earnings per share in CHF	84.61	101.10	-16.3
Dividend per share in CHF	*50	55	-9.1
Investments	16,466	15,130	8.8
Research and development in percent of net sales	27,564 6.6%	25,218 5.9%	9.3
Number of employees at December 31 (full-time equivalents)	1,172	1,103	6.2

* Proposal to the Annual General Meeting on April 2, 2012

The Belimo Group is a leading global manufacturer of innovative electrical actuator solutions for heating, ventilation and air-conditioning systems. The Group generated sales of CHF 416 million in 2011 and employs more than 1,200 people. Information about the company and its products is available on the Internet at www.belimo.com/investorrelations.

The shares of BELIMO Holding AG have been traded on the SIX Swiss Exchange since 1995 (BEAN).

There will be a media information session on the 2011 financial statements at the WIDDER HOTEL in Zurich today, starting at 10:30 a.m.

[Link to annual report 2011](#)

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Key dates	Media information session/ publication of 2011 Annual Report	March 12, 2012
	Annual General Meeting 2012	April 2, 2012
	Semiannual Report 2012	August 6, 2012 after close of trading
	Publication of 2012 preliminary results	February 2013
	Media information session/ publication of 2012 Annual Report	March 11, 2013
	Annual General Meeting 2013	April 8, 2013